

# IOWA FINANCE AUTHORITY[265]

## Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 16.5(1)“r,” 16.41, and 17A.3(1)“b,” the Iowa Finance Authority proposes to amend Chapter 41, “Shelter Assistance Fund,” Iowa Administrative Code.

The purpose of these amendments is to clarify the rules and update definitions.

The Authority does not intend to grant waivers under the provisions of these rules, other than as may be allowed under the Authority’s general rules concerning waivers.

The Authority will receive written comments on the proposed amendments until 4:30 p.m. on September 19, 2017. Comments may be addressed to Amber Lewis, Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa 50312. Comments may also be faxed to (515)725-4901 or e-mailed to [amber.lewis@iowa.gov](mailto:amber.lewis@iowa.gov).

The Authority anticipates that it may make changes to the proposed amendments based on comments received from the public.

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 16.41.

The following amendments are proposed.

ITEM 1. Amend rule 265—41.1(16) as follows:

**265—41.1(16) Purpose.** The shelter assistance fund is created ~~for the purposes of rehabilitation, expansion, or to support the costs of operations of group home shelters for the homeless and domestic violence shelters, essential services for the homeless, and evaluation and reporting of services for the homeless, and match moneys for federal funds for the homeless management information system.~~

ITEM 2. Amend rule 265—41.2(16) as follows:

**265—41.2(16) Definitions.** When used in this chapter, unless the context otherwise requires:

“*Applicant*” means an eligible provider of homeless services which is applying for program funds.

“*Domestic violence shelter*” means a homeless shelter primarily or exclusively serving clients who are homeless due to domestic violence.

“*ESG*” means the Emergency Solutions Grant Program created pursuant to Title 42 of the U.S. Code (42 U.S.C. Section 11375) as well as parts of Title 24 of the Code of Federal Regulations (24 CFR Part 576).

“*HMIS*” means the Homeless Management Information System, which is a client-level data collection and management system implemented at the community level that allows for better coordination among agencies providing services to clients.

“*Homeless*” or “*homeless individual*” shall have the meaning set forth in 24 CFR Part 91.

“*Homeless shelter*” means a facility which provides temporary shelter with overnight sleeping accommodations for homeless persons and which does not require occupants to sign leases or occupancy agreements. ~~Any project funded to provide shelter under the ESG program or which was awarded SAF funds during federal fiscal year 2010 may continue to be funded in the shelter category under SAF.~~

“*HUD*” means the U.S. Department of Housing and Urban Development.

“*IFA*” means the Iowa finance authority.

~~“*Major rehabilitation*” means rehabilitation that involves costs in excess of 75 percent of the value of the building before rehabilitation.~~

*“Nonprofit organization”* means an organization:

1. No part of the net earnings of which inure to the benefit of any member, founder, contributor, or individual;
2. That has a voluntary board;
3. That has a functioning accounting system or has designated a fiscal agent that will maintain a functioning accounting system for the organization;
4. That practices nondiscrimination in the provision of assistance; and
5. That has registered with the state of Iowa as a nonprofit corporation.

*“Obligated”* means that IFA has placed orders, awarded contracts, received services, or entered into similar transactions that require payment from the shelter assistance fund. Funds awarded by IFA by a written agreement or letter of award requiring payment from the shelter assistance fund are obligated.

*“Program participant”* means any person or family who is homeless or at risk of becoming homeless and who seeks assistance from a recipient and is provided assistance utilizing SAF funds.

*“Recipient”* means any organization to which IFA distributes program funds.

*“Rehabilitation”* means repair directed toward an accumulation of deferred maintenance; replacement of principal fixtures and components of existing buildings; installation of security devices; and improvement through alterations or additions to, or enhancements of, existing buildings, including improvements to increase the efficient use of energy in buildings. Costs of rehabilitation may include labor, materials, tools, and other costs of improving buildings.

*“Renovation”* means rehabilitation that involves costs of 75 percent or less of the value of the building before rehabilitation.

*“SAF”* means shelter assistance fund according to Iowa Code section 16.41.

*“Value of the building”* means the monetary value assigned to a building by an independent real estate appraiser or as otherwise reasonably established by the recipient.

ITEM 3. Amend rule 265—41.4(16) as follows:

**265—41.4(16) Eligible activities.** Eligible activities may include the following, where the activities are necessary to assist program participants:

~~1. Rehabilitation, renovation, or expansion of buildings for use in providing services for the homeless.~~

2. 1. Normal operating expenses for homeless and domestic violence shelters, including staff salaries, maintenance (including minor or routine repairs), rent, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of the shelter. Where no appropriate shelter is available for a homeless family or individual, eligible costs may also include a hotel or motel voucher for that family or individual. Eligible costs may also include the costs of third-party agencies’ providing food either to one or more shelters or directly to program participants.

~~3. 2.~~ Essential services for individuals and families in homeless and domestic violence shelters, including case management, child care, education services, employment assistance and job training, outpatient health services (to the extent that such health services are otherwise unavailable), legal services, life skills training, mental health services (to the extent that such mental health services are otherwise unavailable), substance abuse treatment services (to the extent that such substance abuse treatment is otherwise unavailable), and transportation (transportation that is necessary to provide services).

4. 3. Evaluation of services for the homeless, including the implementation of the HMIS.

ITEM 4. Amend rule 265—41.6(16) as follows:

**265—41.6(16) Application procedures.** IFA shall issue requests for applications ~~on an annual basis periodically~~, as long as funds are available. Requests for applications may combine the ESG program with the SAF program. The applications shall be submitted on the forms or ~~on-line~~ online system prescribed by IFA. Application requirements, priorities, and maximum and minimum grant awards will be established by IFA for each competition.

ITEM 5. Amend rule 265—41.10(16) as follows:

**265—41.10(16) Requirements placed on recipients.**

~~41.10(1) *Building use.* Any building for which SAF program funds are used must be maintained as a provider of homeless services for not less than a three-year period or for not less than a ten-year period if the funding amounts are used for major rehabilitation or conversion of the building. If SAF program funds are used for operating costs, the recipient is required to continue to provide homeless services for at least one year. In calculating the applicable time period, the beginning dates of the three- and ten-year periods are determined as follows:~~

~~a.—In the case of a building that was not operated as a provider of services for the homeless before receipt of SAF program funds, on the date of initial occupancy as a provider of services to the homeless.~~

~~b.—In the case of a building that was operated as a provider of services to the homeless before the receipt of SAF program funds, on the date that those funds are first obligated to the homeless service provider.~~

~~41.10(2) *Building standards.* Any building for which SAF program funds are used for renovation, conversion, rehabilitation, or major rehabilitation must comply with all state and local building codes and ordinances and any other applicable legal requirements.~~

~~41.10(3)~~ **41.10(1)** *Participation by homeless individuals and families.* To the maximum extent possible, SAF program recipients are required to involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted with SAF funds, in providing services assisted with SAF funds, and in providing services for occupants of facilities assisted with SAF funds.

**41.10(4)** ~~41.10(2)~~ *Termination of assistance and grievance procedure.* Recipients shall establish and implement a formal process to terminate assistance to individuals or families who violate program requirements. This process shall include a hearing that provides individuals a full opportunity to address issues of noncompliance.

**41.10(5)** ~~41.10(3)~~ *Data reporting system.* Recipients shall participate in the HUD-approved HMIS adopted by IFA as required in the executed contract, unless the recipient qualifies as a domestic violence shelter, in which case the recipient shall participate in required data collection and reporting activities using a comparable database as defined by HUD.

**41.10(6)** ~~41.10(4)~~ *Ensuring confidentiality.* Recipients shall develop and implement procedures to guarantee the confidentiality of records pertaining to any individual to whom family violence prevention or treatment services are provided. In addition, the address or location of any family violence shelter shall not be disclosed to any person except with written authorization of the shelter director.

**41.10(7)** ~~41.10(5)~~ *Requirements for religious organizations.* Recipients shall not engage in religious proselytizing or counseling using SAF funds, nor require attendance at religious services as a requirement or condition to receive assistance with SAF funds, nor limit services or give preference to persons seeking assistance with SAF funds on the basis of religion.

**41.10(8)** ~~41.10(6)~~ *Prohibition against involuntary family separation.* If a shelter provides services to families with children under the age of 18, the age of a child under the age of 18 shall not be used as a basis for denying any family's admission to shelter.

**41.10(9)** ~~41.10(7)~~ *Lead-based paint.* Recipients shall follow the federal rules for lead-based paint, including the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations in 24 CFR Part 35, Subparts A, B, H, J, K, M, and R, which apply to all shelters occupied by program participants.

**41.10(10)** ~~41.10(8)~~ *Habitability standards.* Recipients shall follow the federal rules for habitability, ensuring that shelters funded with SAF adhere to minimum habitability standards for being safe, sanitary, and adequately maintained, according to the regulations at CFR Part 576.403. Standards include considerations for the following: (1) structure and materials, (2) access, (3) space and security, (4) interior air quality, (5) water supply, (6) sanitary facilities, (7) thermal environment, (8) illumination and electricity, (9) food preparation, (10) sanitary conditions, and (11) fire safety.

~~41.10(11)~~ 41.10(9) *Other requirements.* IFA may, at its discretion, impose additional requirements on recipients, which will be described in the request for applications, the grant contract, or other guidance materials issued from time to time.